



**Colorado  
National Leasing, Inc.**

950 Seventeenth Street  
Suite 2400  
Denver, Colorado 80202  
303 585-4300  
Fax 303 585-4233

RECORDATION NO. 21179 FILED

JAN 27 '98

9-48 AM

January 20, 1998

Surface Transportation Board  
1935 K Street, Room 704  
Washington DC 20423

To Whom It May Concern:

This is a Memorandum of Lease filing for the following:

Terms Schedule (Lease Purchase) #291905  
Dated: December 1, 1997

59 - Rail Cars Serial No. (see attached Exhibit A).

Lessor

Colorado National Leasing, Inc.  
950 17th Street, Suite 300  
Denver, CO 80202

Lessee

The Andersons, Inc.  
480 West Dussell Drive  
Maumee, OH 43537

If you have any questions please call me at (303) 585-4300.

Thank you for your assistance!

Sincerely,

Laura Van Marter  
Lease Associate

Enclosures

JAN 27 '98

9-48 AM



**COLORADO NATIONAL LEASING, INC.**

950 Seventeenth Street, Suite 2400  
Denver, Colorado 80202

**TERMS SCHEDULE (Lease Purchase)**

Equipment Lease Agreement No. 291900  
Terms Schedule No. 291905

This Terms Schedule is a part of the Equipment Lease Agreement (the "Lease") dated as of December 1, 1997, between Colorado National Leasing, Inc., ("Lessor") and The Andersons, Inc., ("Lessee"). Lessor hereby leases to Lessee and Lessee hereby hires from Lessor, the following described personal property (the "Equipment"):

**DESCRIPTION (MANUFACTURER, TYPE, MODEL NO., ETC.)**

**VENDOR**

**COST**

See Exhibit A attached hereto and incorporated herein by this reference.

Quaker Oats Company

\$

1. **TERM:** The term of the Lease of the Equipment shall be a period of 13 months, commencing December 15, 1997.
2. **RENT:** As rent for the Equipment, Lessee agrees to pay to Lessor 13 rental payments in the amounts set forth below, which amounts may vary based on the applicable interest rate factor selected by Lessee. A Residual payment of \$\_\_\_\_\_ (original Equipment cost) shall be due and payable on January 15, 1999. The interest rate factor initially will be based on the Reserve Adjusted Libor Rate (defined below) and an Interest Period (defined below) of one month.

Rental payments of \$\_\_\_\_\_, plus sales tax of \$0.00, for a total of \$\_\_\_\_\_ payable monthly in arrears, commencing on January 1, 1998. Rental payments under this option will be based on an interest rate factor equal to the sum of the applicable Reserve Adjusted Libor Rate plus \_\_\_\_\_ basis points or \_\_\_\_\_ percent per annum (\_\_\_\_%) based on an Interest Period of one month (see attached Exhibit B incorporated herein by reference for terms and definitions which will apply when the interest rate factor is based on a "Reserve Adjusted Libor Rate" or "LIBOR"). Rental payments will be recalculated at the end of each Interest Period based on the then-current Reserve Adjusted Libor Rate plus \_\_\_\_\_ basis points and the remaining lease term and the lease principal balance.

Sales Taxes: State 0.00%

City 0.00%

County 0.00%

Transit 0.00%

**INTERIM RENT:** Prior to the commencement of the rental payments, Lessee agrees to pay to Lessor, as interim rent, an amount equal to one-thirtieth of the rental payment, multiplied by the number of days elapsed from and including the date of the signing of the Certificate of Acceptance to, but excluding the rent commencement date, plus applicable sales taxes.

3. **LOCATION:** The Equipment shall be kept at: 480 West Dussel Drive  
Maumee, Ohio 43537  
Lucas County

**Personal Property taxes will be assessed on the Equipment based on the above location. If Lessee is exempt from personal property taxes please provide a copy of Certificate of Exemption.**

4. **ADVANCE RENTALS:** A check in the amount of \$NA, which is submitted herewith, represents NA rental payment of \$NA each, plus a documentary fee of \$NA.
5. **END-OF-TERM:** At the end of the term of the lease, Lessee may, upon one-hundred eighty (180) days written notice to Lessor, elect one of the following options:
  - a) Lessee may purchase the equipment for the end of term residual value of \$\_\_\_\_\_. Upon receipt of payment from Lessee of the residual value together with any and all applicable sales or other taxes due in connection therewith, and any and all remaining sums or other amounts payable under this schedule, Lessor shall transfer all its right, title and interest to the equipment to Lessee.

b) Lessee may elect not to purchase the equipment. Should Lessee select such option, Lessor shall dispose of any or all of the equipment by selling such property for the highest cash offer then reasonably available, or by re-leasing such property on terms and conditions acceptable to Lessor. The proceeds of any sale of the equipment shall be deemed to be the market value of the equipment. The proceeds of any sale of the property shall be the present value of the rental stream of the re-lease discounted at a rate acceptable to Lessee and Lessor. The market value shall then be reduced by all expenses incurred by Lessor in connection with the recovery and disposition of the equipment. The remaining balance shall be referred to as the residual credit. If the Residual credit exceeds the Residual value, Lessor shall promptly pay the amount of such excess to Lessee. If the Residual credit is less than the residual value, Lessee shall promptly pay the amount of such deficiency to Lessor. However, in no event shall Lessee's obligation be greater than fifty (50) percent of the original cost of the equipment.

c) Lessee may elect to extend this lease for an additional term under terms and conditions acceptable to Lessor.

6. **PURCHASE:** Any acquisition of the Equipment by the Lessor to Lessee shall be "AS IS," AND WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING ANY WARRANTY REGARDING THE CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT.

7. **TAX BENEFITS:** Notwithstanding anything contained in the Lease to the contrary, Lessor renounces, in favor of Lessee, all rights to claim any tax benefits associated with ownership of the Equipment. All rights of Lessor in and to the Equipment, as provided in the Lease, shall be deemed to arise only by virtue of Lessee having granted to lessor a security interest in all the Equipment, and in any additional property described therein, to secure Lessee's obligations under the Lease.

IN WITNESS WHEREOF, the parties have agreed and executed this Terms Schedule on this 1 day of Dec, 1997.

LESSOR:

Colorado National Leasing, Inc.

LESSEE:

The Andersons, Inc.

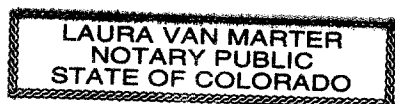
By: [Signature]  
Title: Vice President

By: [Signature]  
Title: Vice President, Finance and Treasurer

Subscribed and sworn to before me this the 26<sup>th</sup> day of January, 1998.

[Signature]  
Notary Public

My Commission Expires: 06/05/2001

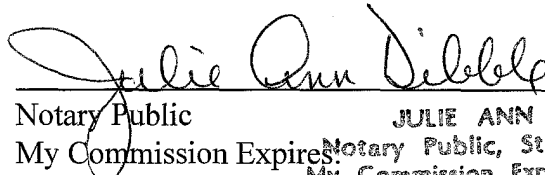


STATE OF OHIO                    )  
COUNTY OF LUCAS            ) SS:

Before me, a Notary Public, in and for said county and state, personally appeared Gary Smith, the Vice President, Finance and Treasurer of The Andersons Inc., an Ohio corporation, who acknowledged that he being thereunto duly authorized, did sign the foregoing instrument in behalf of said corporation and by authority of its board of directors on behalf of the corporation and that the same is the free act and deed of said officer and of said corporation.

In Testimony Whereof, I have hereunto set my hand and official seal at Maumee, Ohio this 1st day of December, 1997.



  
Notary Public                    JULIE ANN DIBBLE  
My Commission Expires: Notary Public, State of Ohio  
My Commission Expires 8-20-2000

**EXHIBIT A**  
**THE ANDERSONS, INC.**  
**LEASE SCHEDULE NO. 291905**

---

(59) PLUG DOOR, 70 TON BOXCARS  
1966-67 BUILT

	OLD		NEW		OLD		NEW
	CAR NUMBER		CAR NUMBER		CAR NUMBER		CAR NUMBER
1	QOCK 101		BAEX 467	45	QOCK 207		BAEX 511
2	QOCK 102		BAEX 468	46	QOCK 208		BAEX 512
3	QOCK 107		BAEX 469	47	QOCK 210		BAEX 513
4	QOCK 109		BAEX 470	48	QOCK 212		BAEX 514
5	QOCK 111		BAEX 471	49	QOCK 216		BAEX 515
6	QOCK 113		BAEX 472	50	QOCK 217		BAEX 516
7	QOCK 117		BAEX 473	51	QOCK 226		BAEX 517
8	QOCK 120		BAEX 474	52	QOCK 227		BAEX 518
9	QOCK 125		BAEX 475	53	QOCK 228		BAEX 519
10	QOCK 126		BAEX 476	54	QOCK 229		BAEX 520
11	QOCK 129		BAEX 477	55	QOCK 11600		BAEX 521
12	QOCK 131		BAEX 478	56	QOCK 16800		BAEX 522
13	QOCK 133		BAEX 479	57	QOCK 20300		BAEX 523
14	QOCK 136		BAEX 480	58	QOCK 20400		BAEX 524
15	QOCK 138		BAEX 481	59	QOCK 20900		BAEX 525
16	QOCK 139		BAEX 482				
17	QOCK 140		BAEX 483				
18	QOCK 142		BAEX 484				
19	QOCK 143		BAEX 485				
20	QOCK 147		BAEX 486				
21	QOCK 148		BAEX 487				
22	QOCK 149		BAEX 488				
23	QOCK 151		BAEX 489				
24	QOCK 154		BAEX 490				
25	QOCK 160		BAEX 491				
26	QOCK 163		BAEX 492				
27	QOCK 164		BAEX 493				
28	QOCK 167		BAEX 494				
29	QOCK 170		BAEX 495				
30	QOCK 171		BAEX 496				
31	QOCK 173		BAEX 497				
32	QOCK 176		BAEX 498				
33	QOCK 178		BAEX 499				
34	QOCK 179		BAEX 500				
35	QOCK 180		BAEX 501				
36	QOCK 182		BAEX 502				
37	QOCK 183		BAEX 503				
38	QOCK 184		BAEX 504				
39	QOCK 185		BAEX 505				
40	QOCK 186		BAEX 506				
41	QOCK 194		BAEX 507				
42	QOCK 200		BAEX 508				
43	QOCK 202		BAEX 509				
44	QOCK 205		BAEX 510				